

Thursday - 4 October 1951

1. Discussed with Cong. Kersten the background of his amendment to the Mutual Assistance Act of 1951 which provides \$100,000,000 for the use of escapees from the Iron Curtain countries in NATO regiments and for other purposes. Cong. Kersten informs me that a prime purpose of this measure is to encourage defections and to support underground movements in Iron Curtain countries. Mr. Kersten stated that he would probably appear before the House Appropriations Committee in support of this measure but had no current plan as to the utilization of the funds. I have discussed this with Mr. Wisner with a recommendation that Mr. Kersten be briefed on certain of our broad activities so that he may steer his proposals along channels which will be helpful

STATINTL

2. In connection with Senator McMahon's ltr. of 28 September 1951 to the DCI, no record has been found in the Agency of any communication on this subject from Atomic Energy Commission Chairman Dean to the DCI. Mr. Dean informed Mr. Dulles that he had not taken this matter up with the Director. I informed Mr. Borden, Director of the Staff of the Joint Congressional Committee on Atomic Energy of this fact, and he has informed me that Chairman Dean testified on 28 September that he had discussed the matter with General Smith.

3. Informed George Moore, Staff Director of the House Civil Service Committee, that CIA was unable to operate under the performance rating act, from which he had originally suggested CIA no seek an exemption. I told him the Civil Service Commission felt that legally they would have to have certain examination rights and they would have to appoint an appeals board member. Mr. Moore stated he didnt believe that this was so, but that if we needed an exemption, no one would oppose it.

4. Col. Hansen and WLP discussed with Mr. Dulles the Director's ruling that there would be no comments on the President's statement regarding the Yale Study. It is our position that in view of the fact that this Study had been prepared in connection with an estimate on Soviet intentions to indicate the extent of Soviet knowledge of American defense preparations, it had become involved in the President's security order only by accident, and it was not fair that CIA take the rap. Mr. Dulles stated that while it was most unfortunate that we had become involved, nevertheless in order to protect the President, it would be necessary to restrict ourselves to "no comment" should any further questions arise from the press.